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PROPOSED ATTORNEYS FOR DEBTORS
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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
PLANO DIVISION**

IN RE:	§	
	§	Chapter 11
NORTH AMERICAN TECHNOLOGIES	§	
GROUP, INC.,	§	Case No. 10-20071-BTR
	§	
Debtor.	§	
<hr/>		
IN RE:	§	
	§	Chapter 11
TIETEK TECHNOLOGIES, INC.,	§	
	§	Case No. 10-20073-BTR
	§	
Debtor.	§	
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IN RE:	§	
	§	Chapter 11
TIETEK LLC,	§	
	§	Case No. 10-20072-BTR
	§	
Debtor.	§	
	§	Joint Administration Requested

**MOTION FOR ENTRY OF ORDER DIRECTING JOINT ADMINISTRATION OF
CASES PURSUANT TO BANKRUPTCY RULE 1015(b) and L.B.R. 1015**

**A HEARING WILL BE CONDUCTED ON THIS MOTION
ON TUESDAY, MARCH 23, 2010 AT 9:15 A.M. IN THE
COURTROOM OF THE HONORABLE BRENDA T.
RHOADES, 660 NORTH CENTRAL EXPRESSWAY, SUITE
300B, PLANO, TEXAS 75074.**

TO THE HONORABLE BRENDA T. RHOADES, U.S. BANKRUPTCY JUDGE:

North American Technologies Group, Inc. ("NATK"), TieTek Technologies, Inc. ("TTT"), and TieTek LLC ("TieTek") (collectively, the "Debtors"), as debtors-in-possession in the above-captioned cases (collectively, the "Chapter 11 Cases"), move the Court (the "Motion") pursuant to Sections Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 1015 of the Eastern District of Texas' Local Bankruptcy Rules (the "L.B.R.") providing for the joint administration of the Debtors' separate Chapter 11 Cases for procedural purposes only (the "Motion"). In support of this Motion, the Debtors rely on the Declaration of Joe B. Dorman in Support of Chapter 11 Petitions and First Day Orders. In further support of this Motion, the Debtors represent as follows:

I. JURISDICTION AND VENUE

1. This Court has jurisdiction over this Motion under 28 U.S.C. §§ 157 and 1334. Consideration of this Motion is a core proceeding under 28 U.S.C. § 157(b)(2).
2. Venue is proper in this District under 28 U.S.C. §§ 1408 and 1409.

II. FACTUAL BACKGROUND¹

A. The Debtors' Chapter 11 Filings and Businesses Generally.

3. On March 18, 2010 (the "Petition Date") the Debtors commenced their cases under Chapter 11 of the Bankruptcy Code. The Debtors ceased manufacturing operations in August 2009, but continue to manage their property as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. By virtue of the provisions of the Bankruptcy Code, as debtors-in-possession, the Debtors have the statutory responsibilities and duties of a trustee,

¹ The Declaration of Joe B. Dorman in Support of Debtors' Voluntary Petitions Under Chapter 11 of Title 11 of the United States Code and First Day Motions (the "Dorman Declaration") contains a more extensive statement of background facts (including a detailed account of the various financial difficulties that led to the filing of this Chapter 11 case), and provides support for the factual matters discussed herein.

except where specifically excused. *See* H.R. § 200, H.R. Rep. No. 595, 95th Cong., 1st Sess. 404 (1977). As such, the Debtors are serving in the capacity of a Chapter 11 trustee as if appointed by order of this Court.

4. TieTek, a Delaware limited liability company, is a wholly owned subsidiary of TTT, a Texas corporation, which is a wholly owned subsidiary of NATK, a Delaware corporation and former public company. The Debtors' principal place of operations is in Marshall, Texas. TieTek, *inter alia*, is the primary operating company of the three Debtors and designs, manufactures, and markets composite railroad ties. NATK, *inter alia*, raised capital from the public and private equity markets and loaned the capital to TieTek. NATK also disbursed, and continues to disburse, funds to fulfill TieTek's payroll obligations and other operating expenses, and occasionally receives funds from TieTek for disbursement and/or in partial repayment of amounts owed by TieTek to NATK.

B. Events Leading to Chapter 11

5. TieTek is the market leader in composite railroad tie design and manufacturing. TieTek ties use recycled plastic materials and vehicle tires to manufacture durable and sustainable railroad ties that outperform traditional wooden railroad ties. Production of 3,300 TieTek ties (approximately one mile of railroad track) reuses approximately 2 million plastic bottles, 9 million plastic bags, and 10,000 scrap vehicle tires. TieTek's ties are used in class I railroad installations (mainly for freight transport), transit rail installations (for transport of commuters), and railroad bridge installations. TieTek's ties may last up to 40 years, compared to the approximate five to seven year lifespan of traditional wooden ties, but TieTek's ties cost about twice as much as wooden ties. Thus, while TieTek's ties may significantly reduce long-term track maintenance costs, they are more expensive to purchase than traditional wooden ties.

TieTek's customers include some of the largest railroad companies in the United States. TieTek currently has approximately 13 employees, and at its peak had over 130 employees. The production facility in Marshall, Texas has been in operation since 2004. As more fully described in the Dorman Declaration, the factors leading to these Chapter 11 Cases include regular business and manufacturing start-up issues, increased raw materials costs, a soft railroad tie market, turnover in the executive and management ranks, significant litigation, and reduced funding from the Debtors' lenders. As a result, the Debtors were forced to cease their manufacturing operations in August 2009.

III. RELIEF REQUESTED

6. By this Motion the Debtors request an order directing that all of the above captioned chapter 11 cases be jointly administered under a single case number and caption.

IV. BASIS FOR RELIEF

7. Bankruptcy Rule 1015(b) provides that, if two or more petitions are pending in the same court by or against the Debtors and an affiliate, the court may order a joint administration of the estates of the Debtors and such affiliates. See Fed. R. Bankr. P. 1015(b).

8. TieTek and TTT are wholly-owned subsidiaries of North American Technologies Group, Inc. As such, they are "affiliates" of North American Technologies Group, Inc. as that term is defined in Section 101(2) of the Bankruptcy Code and as used in Bankruptcy Rule 1015(b). Thus, joint administration of the TieTek and TTT cases with the North American Technologies Group, Inc. case is appropriate under Bankruptcy Rule 1015(b)

9. The joint administration of the Debtors' chapter 11 cases will permit the Clerk of the Court to use a single general docket for each of the Debtors' cases and to combine notices to creditors and other parties in interest of the Debtors' respective estates. The Debtors anticipate

that numerous notices, applications, motions, other pleadings, hearings, and orders in these cases will affect many or all of the Debtors. Joint administration will save time and money and avoid duplicative and potentially confusing filings, by permitting counsel for all parties in interest to (a) use a single caption on the numerous documents that will be served and filed herein and (b) file the papers in one case rather than for each of the Debtors. Joint administration will also protect parties in interest by ensuring that parties in interest in each of the Debtors' respective chapter 11 case will be apprised of the various matters before the Court in all of these cases.

10. In addition, the Debtors request that the official caption to be used by all parties in all pleadings in the jointly administered cases be as follows:

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
PLANO DIVISION**

IN RE:	§	
	§	Chapter 11
NORTH AMERICAN TECHNOLOGIES	§	
GROUP, INC. <i>et. al.</i> ,	§	Case No. _____
	§	
Debtors.	§	Jointly Administered

11. The Debtors submit that use of this simplified caption, naming only North American Technologies Group, Inc. without reference to the Debtors and their respective states of incorporation and tax identification numbers, will eliminate cumbersome and confusing procedures and ensure a uniformity of pleading identification.

12. The rights of the respective creditors of each of the Debtors will not be adversely affected by joint administration of these cases in as much as the relief sought is purely procedural and is in no way intended to affect substantive rights, and each creditor and other party in interest will maintain whatever rights it has against the particular estate in which it allegedly has a claim

or right. Indeed, the rights of all creditors will be enhanced by the reduction in costs resulting from joint administration. The Court also will be relieved of the burden of entering duplicative orders and keeping duplicative files. Finally, supervision of the administrative aspects of the chapter 11 cases by the Office of the United States Trustee will be simplified.

13. No previous request for the relief sought in this Motion has been made to this Court or any other Court.

V. NOTICE

14. Notice of this Motion has been provided to the parties listed on the attached service list which includes the office of the United States Trustee for the Eastern District of Texas, to all of the Debtors' secured lenders, and to each of the Debtors' 20 largest unsecured creditors. The Debtors submit that no other or further notice need be provided.

WHEREFORE, the Debtors request that the Court enter an order (i) directing joint administration of these cases and (ii) granting such other and further relief as is just and proper.

Respectfully submitted this 18th day of March, 2010.

/s/ Michael R. Rochelle
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PROPOSED ATTORNEYS FOR
DEBTORS AND DEBTORS-IN-
POSSESSION

CERTIFICATE OF SERVICE

I certify that on March 18, 2010, a true and correct copy of the foregoing Motion for Order Directing Joint Administration of Cases has been served *via* regular first class U. S. mail, postage prepaid, facsimile, and/or electronic mail through the Court's electronic notification system to all parties on the attached service list.

/s/ Michael R. Rochelle
Michael R. Rochelle